IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

GENOVEVA VALLE, et al. : CIVIL ACTION

:

V.

:

MICHAEL ETEMAD, et al. : NO. 04-969

MEMORANDUM

Bartle, J. March 11, 2005

Plaintiffs Genoveva Valle and Shannon Cab Co. d/b/a Golden Limousine ("Shannon") have instituted this action for injunctive, declaratory, and monetary relief pursuant to the Racketeer Influenced and Corrupt Organizations Act ("RICO"), 18 U.S.C. § 1961 et seq., 42 U.S.C. § 1981, and Pennsylvania common law. Plaintiffs claim conspiracy, civil rights violations, tortious interference with contract, breach of contract, and conversion.

Plaintiffs recently filed a "petition for temporary restraining order/preliminary injunction" in order to prevent a sale by the Sheriff of Philadelphia of limousine license A-00111627 owned by Shannon. The sale was scheduled for February 14, 2005 as a result of a confessed judgment in the Court of Common Pleas of Philadelphia County. The petition for temporary restraining order preventing the sale until further order of this court was granted by the emergency judge on

^{1.} Valle claims to own Shannon.

February 11, 2005.² Defendants agreed to allow the February 11, 2005 order to remain in effect until the undersigned determined the validity of the temporary restraining order.

Defendant TFI, Inc. filed a confession of judgment in the state court in or around October, 2003. Valle filed a petition to strike or open confessed judgment on November 24, 2003, which was denied as untimely on January 8, 2004. Although the order was appealed to the Pennsylvania Superior Court, the appeal was dismissed upon the filing by Shannon for bankruptcy. Shannon's bankruptcy petition has now been dismissed. Plaintiffs contend that the confession of judgment was fraudulently filed and that they are entitled to enjoin the pending sheriff sale.

The Anti-Injunction Act, 28 U.S.C. § 2283, prevents this court from granting an injunction to stay state court proceedings, "except as expressly authorized by Act of Congress, or where necessary in aid of its jurisdiction, or to protect or effectuate its judgments." 28 U.S.C. § 2283. Plaintiffs maintain that an injunction is permitted under an Act of Congress or as necessary in aid of our jurisdiction.

Exceptions to the Anti-Injunction Act must be narrowly construed. <u>In re Diet Drugs Prods. Liab. Litig.</u>, 369 F.3d 293, 305 (3d Cir. 2004). The Act of Congress exception applies where an "Act of Congress clearly creating a federal right or remedy enforceable in a federal court of equity[] could be given its

^{2.} The plaintiffs filed security as required by the court in the amount of \$10,000.

intended scope only by the stay of a state court proceeding."

Mitchum v. Foster, 407 U.S. 225, 238 (1972). Neither RICO nor

§ 1981, which are the federal statues cited in the complaint,
authorizes this court to enjoin a sheriff sale pursuant to a
state court order.

The necessary in aid of jurisdiction exception applies only where "some federal injunctive relief may be necessary to prevent a state court from so interfering with a federal court's consideration or disposition of a case as to seriously impair the federal court's flexibility and authority to decide that case."

In re Diet Drugs, 369 F.3d at 305 (internal citations omitted).

Even if the sheriff sale goes forward, this court's ability to decide the action before it is not affected.

Additionally, the <u>Rooker-Feldman</u> doctrine precludes federal district courts from reviewing judgments of state courts.

<u>See District of Columbia Court of Appeals v. Feldman</u>, 460 U.S.

462, 482 (1983); <u>Rooker v. Fidelity Trust Co.</u>, 263 U.S. 413 (1923); <u>Gulla v. North Strabane Township</u>, 146 F.3d 168, 171 (3d Cir. 1998). Having failed timely to contest the confession of judgment in state court, plaintiffs cannot now seek to obtain relief in the federal court to overturn that judgment.

Accordingly, the "petition for temporary restraining order/preliminary injunction" will be denied, and the temporary restraining order entered by the emergency judge on February 11, 2005 will be dissolved.

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ORDER

AND NOW, this 11th day of March, 2005, for the reasons set forth in the accompanying Memorandum, it is hereby ORDERED that:

- (1) the petition of plaintiffs Genoveva Valle and Shannon Cab Co. d/b/a Golden Limousine for temporary restraining order/preliminary injunction is DENIED;
- (2) the temporary restraining order entered on February 11, 2005 is DISSOLVED; and
- (3) the Clerk issue a check to Willan Franklyn Joseph, Esquire in the amount of \$10,000 for the benefit of plaintiffs Genoveva Valle and Shannon Cab Co. d/b/a Golden Limousine, representing the plaintiffs' deposit in the court's registry.

BY THE COURT: